Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Commerce & Gaming Committee

HB 2365

Brief Description: Allowing marijuana retailers to sell marijuana merchandise.

Sponsors: Representatives Wylie, Hurst, Fitzgibbon, S. Hunt, McBride, Kirby, Condotta, Moeller and Buys.

Brief Summary of Bill

- Authorizes licensed marijuana retailers to sell wearable apparel that is connected to the retail outlet or a marijuana product line sold by the retail outlet.
- Requires the Liquor and Cannabis Board to establish marketing standards to ensure that marijuana merchandise and other products sold by licensed marijuana retailers are not intended to appeal to minors or otherwise encourage marijuana use by minors.

Hearing Date: 1/19/16

Staff: Peter Clodfelter (786-7127).

Background:

Under the legal framework created by Washington State Initiative Measure No. 502, licensed marijuana retailers are authorized to sell useable marijuana, marijuana-infused products, marijuana concentrates, and certain paraphernalia at retail in retail outlets, regulated by the Liquor and Cannabis Board (LCB), to persons 21 years of age and older. The possession, delivery, distribution, and sale of useable marijuana, marijuana-infused products, and marijuana concentrates in accordance with chapter 69.50 RCW and the LCB's rules by a licensed marijuana retailer are not criminal or civil offenses under Washington law.

Licensed marijuana retail outlets may not sell products or services other than useable marijuana, marijuana-infused products, marijuana concentrates, and paraphernalia intended for the storage or use of useable marijuana, marijuana-infused products, or marijuana concentrates. The LCB must fine a licensed marijuana retailer \$1,000 for each violation.

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This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary of Bill:

Marijuana merchandise is added to the list of products or services that licensed marijuana retailers may sell at retail outlets. The term "marijuana merchandise" is defined as wearable apparel that serves to promote or advertise the retail outlet, or a product line sold by the retail outlet, and that has labeling affixed to the wearable apparel that includes: (1) the retail outlet's name, logo, or other symbol associated with the retail outlet or (2) a name, logo, or other symbol associated with a product line sold by the retail outlet.

The LCB must establish retail product design and marketing standards to ensure that marijuana merchandise and other products sold by licensed marijuana retailers are not intended to appeal to minors or otherwise encourage marijuana use by minors.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect on July 1, 2016.